

loan arrangements, Centercorp shall be entitled to include as current Eligible Costs interest accruing on such indebtedness). Principal repayments shall not be included as Eligible Costs to the extent that the proceeds of such indebtedness have been utilized in connection with the acquisition of equipment, software, or other items which are being amortized and thereby included in Eligible Costs.

- (f) To the extent that Centercorp enters into arrangements with Parent or any of its affiliated companies in connection with the leased premises or the acquisition of equipment, software or services, or in connection with any loans or other financing for Centercorp, such arrangements shall be treated for all purposes, including determining Eligible Costs, on the same basis as would be applicable had such transactions been entered into with third parties so long as (i) the terms of such arrangements are no less favorable to Centercorp than similar arrangements available from equivalent third-party vendors or providers who are of equivalent knowledge, capacity and quality, or (ii) such arrangements are on terms which are equivalent to similar arrangements entered into between Parent or its affiliates and third-party purchasers of equipment or software or third-party acquirers of services, or (iii) the interest rate of such indebtedness does not exceed the Parent's average cost of capital per Parent's quarterly report.
- (g) A bonus pool ("Bonus Pool"), of 5% of Eligible Costs before the calculation of such Bonus Pool, shall be calculated and shall be paid to employees of Parent or of Centercorp as bonuses (to be allocated and determined by Centercorp in its sole discretion) for efforts directly related to operation of the Center in a manner designed to limit the occurrences of Outages (as defined in Section 10).

All Eligible Costs shall be recovered by Centercorp through Charges to Users. Such Eligible Costs for 1986 and 1987 shall be allocated among Users in accordance with the allocation formula set for in Exhibit C.

It is understood that, to the extent that a Programmer or a Program Distributor terminates or is terminated in accordance with the provisions of a Programmer Agreement or a Program Distributor Agreement, the portion of Eligible Costs to be borne by remaining Programmers or Program Distributors who remain parties to such agreements may be appropriately increased.

5. Payments; Remedies for Non-Payment; Other Centercorp Remedies.

5.1 Payments. All Charges due for calendar year 1986 pursuant to the provisions of Section 4 shall be paid by each User executing this Agreement in 1986 in full on the date on which such User executes an agreement with Centercorp. Customer is paying such 1986 Charges applicable to it simultaneously with the execution of this Agreement. On September 1 of each year, Centercorp shall provide a budgetary amount for next year's Eligible Costs to each User. Based upon Centercorp's estimate of next year's Eligible Costs, on October 1 of each year Centercorp shall notify each User of the amount due to Centercorp for the subsequent calendar year from such User. In December of each year, each User will be billed said amount (the "Initial bill") for the Charges so estimated to be due from such User for the entire following calendar year.

In 1986 and 1987, such Eligible Costs shall be allocated to Users based upon the allocations used in determining 1986 costs as set forth in Exhibit C; in 1988 and thereafter, the allocation among Users of such estimated Eligible Costs shall be based upon the allocation structure developed by Centercorp during 1987 and for all subsequent years as described in Section 4. Payment of amounts so billed will be due in full prior to the succeeding January 31, and when paid will be credited to such User's account maintained on the books of Centercorp ("Account"). Users executing this Agreement after 1986 shall pay, simultaneously with such execution, the Charges estimated by Centercorp to be payable by them for the calendar year of such execution, and Charges so paid shall be credited to their Accounts.

As each calendar quarter is completed within a calendar year, a revised schedule of Charges for such calendar year will be calculated by Centercorp based upon actual Eligible Costs incurred for such quarter, and the Account of each User shall be appropriately debited. If, during the third quarter of a calendar year, it appears that some or all User Accounts may not be sufficient to pay the total amount of Charges due from such User(s) for such calendar year (as a result of recalculations of Charges pursuant to Section 4 based upon actual Eligible Costs), Centercorp shall be entitled to issue a special billing (the "Adjustment Billing") to any or all of such Users to cover such shortfall. Payments of amounts so billed shall be due in full within 30 days of the date of the Adjustment Billing.

As of the end of each calendar year beginning with 1987, Centercorp shall make a final calculation of all Eligible Costs for such calendar year. To the extent that the amount of actual Eligible Costs exceeds the Charges received through the Initial Billings and the Adjustment Billings, the difference between such actual Eligible Costs and the amount of the Eligible Costs actually so recovered through Charges shall be allocated among Users on the same basis as the allocations utilized in developing Initial Billings and Adjustment Billings, and Centercorp shall be entitled to issue a billing (the "Final Billing") to Users to collect such shortfall, and Centercorp shall use its best efforts to obtain prompt payment for such Final Billing. Payment of amounts so billed shall be due in full within 30 days of the date of the Final Billing. To the extent that the amount of actual Eligible Costs is less than the Charges received through the Initial Billings and the Adjustment Billings, the difference will be allocated among Users on the same basis utilized in preparing the Initial Billings and the Adjustment Billings, and each User shall be entitled to the amount so allocated as a credit against subsequent amounts due from such User, or refund in the event of non-renewal by such User.

5.2 Remedies for Non-Payment. Since late payments of Charges due pursuant to this Section 5 by any User will increase the need for Centercorp to incur interest charges to fund working capital requirements and otherwise to fund expenditures, any amount due from a User which is not paid on the date due as described above shall bear interest from such due date to the date of actual payment at an interest rate equal to (i) the index called the "Prime Rate" which is published from time to time in The Wall Street Journal listing of "Money Rates" (or the highest such rate if more than one is quoted) plus (ii) three percent (3%). In addition, if any User fails to make any such payment within 30 days after such due date, then Centercorp shall have the right (commencing 30 days after the date of written notice of such failure given by Centercorp to each User) to temporarily suspend, or (if such User has previously been the subject of such a temporary suspension) to terminate, the right of such User to utilize the Center, unless such User has in either instance cured either the non-payment within said 30 days. In the event of any such temporary suspension, the obligations of the User to make all payments for the period of suspension shall continue. In the event of any such termination, the provisions of Section 6.3 hereof shall be applicable. Any such suspension or termination shall be effective thirty (30) days

after delivery of notice of such suspension or termination by Centercorp to the affected User. It is understood that termination of a User pursuant to these provisions followed by inability of Centercorp to collect amounts due from such User under Section 6.3 may result in a recalculation of Charges payable by other Users in accordance with the provisions of Section 4 hereof, with such other Users to be liable for an increased allocation of the Eligible Costs in connection with calculating the Charges payable by them.

5.3 Other Centercorp Remedies. It shall be a condition of the right of each Programmer to continue to use the Center that such Programmer shall transmit the full DBS control stream provided in Data Channel for the channel for which a scrambling connection fee is paid. If any Programmer shall fail in such obligation, or if any User shall fail in any obligation hereunder (except as specified in Section 5.2), then Centercorp shall have the right (commencing 30 days after the date of written notice of such failure given by Centercorp to such User) to temporarily suspend, or (if such User has previously been the subject of such a temporary suspension) to terminate, the right of such User to utilize the Center. In the event of any such temporary suspension, the obligations of the User to make all payments for the period of suspension shall continue. In the event of any such termination, the provisions of Section 6.3 hereof shall be applicable.

6. Term.

6.1 Initial Terms. The initial term of each agreement of a User (the "Initial Term") shall commence on the date of execution of the agreement of such User with Centercorp (the "Commencement Date") and end at 11:59 p.m. Pacific Time on December 31, 1993. The Commencement Date for this Agreement is the date of effectiveness set forth at the beginning of this Agreement.

6.2 Renewal Terms. Each User shall be entitled, subject to credit approval by Centercorp, to renew its agreement with Centercorp (this Agreement as to Customer) for additional periods of two (2) years each ("Renewal Terms"), each such Renewal Term to commence on the date following the end of the preceding Initial Term or Renewal Term, as the case may be, and to continue for a period of two (2) years to 11:59 p.m. Pacific Time on the appropriate December 31. Each such renewal shall be automatic unless User provides written notice to Centercorp, delivered by the respective User to Centercorp not later than ninety (90) days prior to the termination of the Initial Term or Renewal Term, as the case may be, then in effect, that said User does not wish to renew this Agreement.

6.3 Obligation to Pay. Upon execution of an agreement with Centercorp (this Agreement as to Customer), and upon election to extend such an agreement for a Renewal Term, each User shall become fully obligated to pay all amounts due under such an agreement with respect to the respective term. In the event that any User fails to fulfill its obligations under such an agreement, including any User which is terminated as described in Section 5 hereof, or is terminated as described in Section 3.2 hereof, then in any such event such User shall continue to be obligated for all amounts which would have been payable by such User during the balance of the Initial Term or Renewal Term, as the case may be, then in effect, and Centercorp shall be entitled to initiate all legal actions and other actions as may be necessary to collect such amounts. However, upon the request of any User withdrawing or terminating prior to the expiration of the term of such an agreement then in effect for such User, Centercorp shall poll all other Users, and if all such other Users unanimously consent to such waiver, Centercorp will

waive unpaid amounts due from such withdrawing or terminated User (it being understood that such waived amounts shall be recovered from other Users through Charges to such Users recalculated as described in Section 6.1).

6.4 Center Termination.

- (a) If, prior to the expiration of the Initial Term or any applicable Renewal Term applicable to this Agreement, at least i) one-half (1/2) of all Programmers and ii) those Programmers obligated in the aggregate to make payments on a current basis with respect to more than one-half (1/2) in dollar amount of all Charges agree in a writing or writings delivered to Centercorp that the satellite subscription TV business is not commercially successful and should be discontinued, Centercorp will be obligated to terminate the Center as promptly as practically possible, whereupon Centercorp shall be relieved of all further obligations under this Agreement to Customer (and under all other agreements with other Users), except for the obligations of confidentiality and the return of data provided by the Users to the Center. Upon the execution of such agreement in writing by such Programmers, all Programmers shall be required to pay Centercorp all unrecovered investments (including capital and remaining contractual commitments) calculated as described in Exhibit D ("Unrecovered Investments"). The portion of such Unrecovered Investments allocable to each Programmer shall be calculated in accordance with the allocations used in allocating Eligible Costs among Programmers for the determination of Charges to Programmers as of the most recent such allocation of Eligible Costs.

Notwithstanding the execution of such an agreement in writing by such Programmers, in the event that any User or group of Users wishes to cause the Center to be continued, then subject to appropriate payment by those Users wishing to continue operation of the Center, Centercorp will be relieved of its obligation to terminate the Center as to those Users, and agrees to undertake to continue to operate the Center provided that such User or Users requesting that the Center be continued provide to Centercorp appropriate assurances (deemed by Centercorp in its sole discretion to be acceptable) that all Eligible Costs which would be incurred in connection with the continuation of the Center will be paid in a timely manner by such User or Users.

- (b) Upon any termination of the Center or of this Agreement, Centercorp agrees to provide to each Programmer and to each Program Distributor all data furnished by such Programmer or Program Distributor maintained by Centercorp in connection with the Center relating to the subscribers of the respective Programmer or Program Distributor.

6.5 Non-Renewals. In the event that neither Customer nor any other Users renew their agreements with Centercorp after the expiration of the Initial Term, or in the event that Centercorp (in the exercise of its sole discretion) determines that the Users which do renew do not have adequate financial capacity to assure payment in full to Centercorp of all Eligible Costs to be incurred after the last expiration of an Initial Term, then in such event Centercorp shall be

entitled to require Customer and all other Users to pay to Centercorp the Unrecovered Investments as calculated and set forth in Exhibit D, based upon the allocation used in the most recent allocation of Eligible costs.

6.6 Payment Assurances. For purposes of assuring to Centercorp that all amounts payable as described in Section 5 above shall be paid in full immediately when due, certain users (which may include Customer) shall be required to provide, at all times during the term of their agreement with Centercorp and thereafter for sixty (60) days, a letter of credit in the amount calculated by multiplying the aggregate monthly charges estimated to be payable by such User as of the time of the determination of the required amount of such letter of credit the number of months remaining in during the then applicable term of this Agreement, plus five percent of the amount so calculated. The amount of the letter of credit required to be maintained by a User shall be recalculated as of June 30 and December 31 of each year, and each User which is required to provide such a letter of credit will be required to provide an adjusted letter of credit within thirty days after receiving written notice from Centercorp of the amount of any such recalculation. Such letter of credit must be in a form which Centercorp (in the reasonable exercise of its sole discretion) determines to be acceptable. Any User whose financial condition, in the reasonable exercise of Centercorp's discretion, requires payment assurances, shall be required to provide such a letter of credit.

6.7 Continuation of Center. Upon the termination of the last Renewal Term elected by a User under an agreement with Centercorp, in the event that any User or group of Users wishes to cause the Center to be continued, Centercorp agrees to undertake to continue to operate the Center provided that such User or Users requesting that the Center be continued provide to Centercorp appropriate assurances (deemed by Centercorp in its sole discretion to be acceptable) that all Eligible Costs which would be incurred in connection with the continuation of the Center will be paid in a timely manner by such User or Users.

7. User Rights. The Users shall have the following rights:

- (a) The Users shall have the right to review financial statements prepared by Centercorp in connection with the calculation of Eligible Costs and in determination of Charges to be paid by Users pursuant to Section 4. In the event that a majority of the Users determine that an audit would be desirable, the Users may retain an outside firm of independent certified public accountants to review the books and records of the Center, the calculation of Eligible Costs and the allocations of such Eligible Costs for purposes of determining Charges to the Users. All costs and expenses in connection with retaining such independent certified public accountants shall be payable, in advance, by the individual Users, provided that in the event that such independent certified public accountants determine that the Eligible Costs have been overstated by Centercorp by an amount greater than ten percent (10%) of the amount of Eligible Costs as calculated by Centercorp, then in such event the costs of retaining such independent certified public accountants shall be borne by Centercorp and shall not be deemed to be an Eligible Cost.
- (b) In the event that Centercorp is bankrupt or otherwise insolvent and as a result thereof is unable to continue to operate the Center, or in the circumstances and for the periods described in paragraph (b) of Section 10, the Users shall

be entitled to appoint a party to operate the Center under appropriate management agreements (with the compensation of such non-interested party to be included as an Eligible Cost).

The Users shall not be entitled to review or approve any expenditures which Centercorp includes in Eligible Costs in accordance with the principles set forth in Section 4.

Under no circumstances shall the Users be given any information concerning subscribers or any other data which is provided to or available through the Center with respect to individual Users, other than the number of Tier-Bits and Ports utilized by each such User and the number of months of such utilization during each calendar year.

8. Security and Confidentiality.

8.1 The Center will be housed in a physically secure building with access controlled by badge identification system, with future upgrades to include TV monitoring and human guards. Descrambler code lists will be kept in locked safe in encrypted machine readable format (i.e., magnetic discs or tape). Full backup files will be kept outside the main Center premises in a physically secure vault.

8.2 Each party agrees to provide to the other party on a timely basis such information as is reasonably required to enable such other party to fulfill its obligations under this Agreement. Each party shall identify as confidential information ("Confidential Information") all information provided by such party to the other party which is considered by such party to be confidential, proprietary information.

Notwithstanding the foregoing, all information concerning Customer's subscribers provided to Centercorp shall be considered to be Confidential Information of Customer, provided that Centercorp is hereby authorized to disclose such information to Program Distributors authorized by Customer to sell subscriptions for its programming services (but only with respect to subscribers authorized by such Program Distributor and only to the extent authorized by such Program Distributor). Neither party hereto will, without the prior consent of the party providing such Confidential Information, (i) use any portion of such Confidential Information for any purpose other than performance pursuant to this Agreement, or (ii) disclose any portion of such Confidential Information to any persons or entities other than the officers, employees or agents of such party who reasonably need to have access to Confidential Information for purposes of performance under this Agreement and who are bound by appropriate confidentiality agreements and commitments. The obligations of the recipient party with respect to Confidential Information shall remain in effect except to the extent that (a) such Confidential Information becomes generally available to the public other than as a result of unauthorized disclosure by the recipient or persons to whom the recipient has made the information available, (b) such Confidential Information has been released without restriction by the party providing the Confidential Information to another person or entity, or (c) such Confidential Information was received by the recipient on a non-confidential basis, prior to receipt from such party, from a third party lawfully possessing and lawfully entitled to disclose such information. Confidential Information shall remain the property of the disclosing party, and shall be returned to the disclosing party or shall be destroyed upon termination of the performance pursuant to this Agreement on the basis of which such Confidential Information was provided.

9. Other Activities of Centercorp. It is understood that Parent and/or Centercorp may design features and improvements relating to the Scrambling System which will be offered by Parent and/or Centercorp either directly or through subsidiary or affiliated companies. Such additional features and services (such as pay-per-view and personal message service) will be made available by Parent and/or Centercorp to all Users on an equal basis, and on a basis equivalent to that made available to others who are not Users. To the extent that, in connection with providing such additional features and services, Parent and/or Centercorp is required to utilize the facilities of the Center, then to the extent appropriate Parent and/or Centercorp shall acquire Tier-Bits and/or Ports on the same terms and conditions as other Users, except that Parent and/or Centercorp shall have the right to retain at all times for such use up to five (5) Tier-Bits. In the event that Parent and/or Centercorp wishes to enhance the equipment or software of the Center to support such additional features and services, Parent and/or Centercorp shall be entitled to add such equipment and services to the Center at its sole cost and expense, and no such expenditure shall be included as Eligible Costs. In addition, if a particular User or group of Users wishes additional features and services which require enhancement of the equipment or software of the Center, Parent and/or Centercorp shall be entitled to add such equipment and services to the Center at its sole cost and expense, or at the sole cost and expense of such particular User, or group or Users, and no such expenditure shall be included as Eligible Costs. In the event that such additional services and features involve utilization of capacity of the Center other than Tier-Bits or Ports, then the terms under which Parent and/or Centercorp is entitled to utilize such capacity shall be determined by Centercorp on an equitable basis.

10. Failures of Performance by Centercorp. An "Outage" in the Basic Service shall be deemed to be occurring during any period in which the Center is not accepting inward-bound data or is not transmitting the Data Channel to the outward-bound communications link between the Center and Scramblers of the Programmers, as defined in Exhibit A. Centercorp shall be subject to the following penalties in connection with the indicated events:

- (a) If the Center experiences Outages accumulating more than 130 hours during any calendar year, (except for file back-up and preventive maintenance) as described in Exhibit A, then in such event Centercorp shall be required to reduce the Eligible Costs with respect to which it is entitled to recovery through Charges pursuant to Section 4 by \$500 for each sixty minute period for which such Outage continues, provided that the maximum amount of such reduction during any calendar year shall not exceed 10% of the total annual Eligible Costs. In the event of such Outages, the amount of the Bonus Pool described in Section 4(g) shall be the first Eligible Costs subject to the reduction described above (it being understood that such Bonus Pool is designed to reward employees for achieving a limitation of Outages, so that reductions pursuant to this Section 10(a) shall reflect the failure of the employees to achieve such a limitation of Outages).
- (b) In the event that the Center experiences continuing Outages for a period of seven consecutive days, then in such event the Users shall be entitled to appoint a manager in accordance with the provisions set forth in paragraph (b) of Section 7 hereof and transfer control of the Center to such manager, provided that such a transfer of control shall continue only until such time as the Center is no longer experiencing Outages in excess of 28.8 minutes during a calendar day.

- (c) If the Users appoint a manager pursuant to provisions of paragraph (b) above on more than two (2) occasions during any period of twelve (12) consecutive months, then in such event Customer shall be entitled to terminate its obligations pursuant to this Agreement by written notice of such termination delivered to Centercorp (with such termination to be effective on the date, not later than ninety (90) days after the date of such notice, specified in such notice), and upon such termination Customer shall be relieved of all further obligations pursuant to this Agreement except with respect to Charges incurred for periods through the date of termination; without limiting the foregoing, upon such termination, Customer shall be relieved from all obligations to pay any portion of Unrecovered Investments.

11. Limitation of Centercorp Obligations.

11.1 The obligations of Centercorp shall be limited to making the Data Channel available to Programmers and (to the extent, but only to the extent, authorized by Programmers) of making available Ports to Program Distributors, and providing the other services and data of the Basic Service contemplated by this Agreement. Centercorp shall play no role in the approval of Program Distributors by Programmers. Collection of, accounting for and compensation for subscriber and program fees, reconciliation of subscriber payments, unauthorized turn-ons, multiple distributor conflicts, and similar matters will be solely the responsibility of the Programmers and their respective Program distributors and other distributors, and neither Centercorp nor the Center will be involved in such matters.

11.2 The specific obligations, warranties and remedies set forth in this Agreement constitute the only obligations, warranties and remedies with respect to the services and undertakings provided by Centercorp pursuant to this Agreement. THE EXPRESS WARRANTIES CONTAINED HEREIN ARE IN LIEU OF ALL OTHER WARRANTIES, AND EXCEPT FOR SUCH EXPRESS WARRANTIES, CENTERCOPR MAKES NO WARRANTY, WHETHER EXPRESS, IMPLIED, OR STATUTORY, AS TO THE DESCRIPTION, QUALITY, MERCHANTABILITY, COMPLETENESS OR FITNESS FOR ANY PURPOSE OF THE SERVICES AND UNDERTAKINGS PROVIDED UNDER THIS AGREEMENT, OR AS TO ANY OTHER MATTER, ALL OF WHICH WARRANTIES BY CENTERCOPR ARE HEREBY EXCLUDED AND DISCLAIMED.

Centercorp's liability arising out of failures of performance hereunder shall be limited to the various remedies expressly set forth in Section 10 of this Agreement. IN NO EVENT SHALL CENTERCOPR BE LIABLE TO CUSTOMER, TO ANY OTHER USER OR TO ANY OTHER PERSON, FIRM, OR ENTITY IN ANY RESPECT, INCLUDING, WITHOUT LIMITATION, FOR ANY DAMAGES, EITHER DIRECT, INDIRECT, CONSEQUENTIAL, SPECIAL, INCIDENTAL, ACTUAL, PUNITIVE OR ANY OTHER DAMAGES, OR FOR ANY LOST PROFITS OF ANY KIND OR NATURE WHATSOEVER, ARISING OUT OF DELAYS, MISTAKES, ACCIDENTS, ERRORS, OMISSIONS, INTERRUPTIONS, DEFECTS OR OTHER FAILURES OF PERFORMANCE PURSUANT TO OR RELATING TO THIS AGREEMENT OR THE OBLIGATIONS OF CENTERCOPR HEREUNDER.

12. Indemnification. Customer shall indemnify and hold harmless Centercorp, its shareholders, directors, officers, employees, agents, designees and assignees, or any of them, from and against all losses, damages, liabilities, expenses, costs, claims, suits, demands, actions, causes of actions, proceedings, judgments, assessments, deficiencies and charges caused by,

relating to or arising from the performance by Centercorp in accordance with this Agreement of its obligations hereunder, including without limiting the foregoing any such item caused by, relating to or arising from (a) the programming services of Customer which are authorized using the facilities of the Center, including any assertion that such programming services involve any copyright infringement, (b) any disputes between Customer and any of its Program Distributors or other distributors (including matters described in Section 11.1), (c) any disputes or claims involving the subscribers for the programming services of Customer, or (d) any assertion that Customer has been involved in, that Customer's conduct of its subscription TV satellite services involves, or that Customer's use of the Center or dealings with Centercorp involve, any unfair competition or violations of laws, rules or regulations.

13. Assignment. Customer shall not be entitled to assign any of its rights or obligations pursuant to this Agreement without the prior written consent of Centercorp and any purported assignment without such consent shall be void and ineffectual. Centercorp shall be entitled to assign this Agreement to any affiliate of Centercorp, or to any other entity, without the consent of Customer.

14. Centercorp Representations. Centercorp hereby represents and warrants to Customer as follows:

14.1 Organization and Authority. Centercorp is a corporation duly organized, validly existing, and in good standing under the laws of the state of its incorporation set forth on page one hereof, is duly qualified to conduct business and is in good standing in all jurisdictions where the performance of this Agreement makes such qualification necessary, has the power and authority, corporate and otherwise, to execute and deliver this Agreement and to perform its obligations hereunder, and has by all necessary corporate action duly and validly authorized the execution and delivery of this Agreement and the performance of its obligations hereunder.

14.2 Binding Obligation. This Agreement constitutes a valid and binding obligation of Centercorp.

14.3 No Conflicts. The execution, delivery and performance by Centercorp of this Agreement and of each other agreement, document or instrument now or hereafter executed and delivered by Centercorp pursuant hereto or in connection herewith do not and will not: (a) conflict with or violate the articles or certificate of incorporation or bylaws of Centercorp or any provision of any law, rule, regulation, authorization or judgment of any governmental authority having applicability of Centercorp or its actions; or (b) conflict with or result in any breach of, or constitute a default under, any note, security agreement, commitment, contract or other agreement, instrument or undertaking to which Centercorp is a party or by which any of its property is bound.

14.4 No Litigation. There are no actions, suits, claims, arbitrations, litigations, proceedings, or investigations pending or, to the knowledge of Centercorp, threatened or reasonably anticipated, against or affecting Centercorp or any of its business or assets, in which any judgment, order, decree or decision might have a material adverse effect upon the validity or enforceability of this Agreement, or the performance by Centercorp of its obligations hereunder.

15. Customer Representations. Customer hereby represents and warrants to Centercorp as follows:

15.1 Organization and Authority. Customer is a corporation duly organized, validly existing, and in good standing under the laws of the state of its incorporation set forth on page one hereof, is duly qualified to conduct business and is in good standing in all jurisdictions where the conduct of its business makes such qualifications necessary, has the power and authority, corporate and otherwise, to execute and deliver this Agreement and to perform its obligations hereunder, and has by all necessary corporate action duly and validly authorized the execution and delivery of this Agreement and the performance of its obligations hereunder.

15.2 Binding Obligation. This Agreement constitutes a valid and binding obligation of Customer.

15.3 No Conflicts. The execution, delivery and performance by Customer of this Agreement and of each other agreement, document or instrument now or hereafter executed and delivered by Customer pursuant hereto or in connection herewith do not and will not: (a) conflict with or violate the articles or certification of incorporation or bylaws of Customer or any provisions of any law, rule regulations, authorization or judgment of any governmental authority having applicability to Customer or its actions; or (b) conflict with or result in any breach of, or constitute a default under, any note, security agreement, commitment, contract or other agreement, instrument or undertaking to which Customer is a party or by which any of its property is bound.

15.4 No Litigation. There are no actions, suits, claims, arbitrations, litigations, proceedings, or investigations pending or, to the knowledge of Customer, threatened or reasonably anticipated, against or affecting Customer or any of its business or assets, in which any judgment, order, decree or decision might have a material adverse effect upon the validity or enforceability of this Agreement, or the performance by Customer of its obligations hereunder.

16. Force Majeure. Centercorp shall not be liable for any failure of performance hereunder due to causes beyond its reasonable control, including but not limited to acts of God, fire, explosion, vandalism, storm or other similar catastrophes; any law, order, regulation, direction, action or request of the United States government, or of any other government, including state and local governments having jurisdiction over Centercorp, Customer or any other User, or any department, agency, commission, court, bureau, corporation or other instrumentality of any one or more of said governments, or of any civil or military authority; national emergencies; insurrections; riots; wars; or strikes, lock-out, work stoppages or other labor difficulties. Notwithstanding the foregoing, in the event that substantial performance by Centercorp is delayed by more than 180 days by any such event of Force Majeure, either (a) Centercorp or (b) Users obligated in the aggregate to make payments on a current basis with respect to more than one-half (1/2) in dollar amount of all Charges shall be entitled, by written notice to the other, to terminate this Agreement and similar agreements between other Users and Centercorp, in which event the provisions of Section 6.4 hereof shall be applicable (including those relating to Unrecovered Investments and those applicable to continuation of the Center). Within sixty (60) days of the signing of an Agreement with the first User, Centercorp shall develop and provide to User, upon request, a written contingency plan with respect to restoration of operations of the Center in the event of Force Majeure, and will use best efforts to implement such plan.

17. Miscellaneous.

17.1 Notices. All notices, demands, requests, or other communications which may be or are required to be given, served, or sent by any party to any other party pursuant to this Agreement shall be in writing and shall be mailed by first-class, registered or certified mail, return receipt requested, postage prepaid, or transmitted by hand delivery or telegram, addressed as follows:

If to Customer:

If to Centercorp:

DBS Authorization Center, Inc.
6262 Lusk Blvd.
San Diego, CA 92121
Attn: Director, DBS Center
cc: General Counsel

Each party may designate by notice in writing a new address to which any notice, demand, request or communication may thereafter be so given, served or sent. Each notice, demand, request, or communication which shall be mailed, delivered or transmitted in the manner described above shall be deemed sufficiently given, served, sent and received for all purposes at such time as it is delivered to the addressee (with the return receipt, the delivery receipt or the affidavit of messenger being deemed conclusive evidence of such delivery) or at such time as delivery is refused by the addressee upon presentation.

17.2 Severability. If any part of any provision of this Agreement or any other agreement, document or writing given pursuant to or in connection with this Agreement shall be invalid or unenforceable under applicable law, said part shall be ineffective to the extent of such invalidity or unenforceability only, without in any way affecting the remaining parts of said provision or the remaining provisions of said agreement.

17.3 Survival. It is the express intention and agreement of the parties to this Agreement that all covenants, agreements, statements, representations, warranties and indemnities made in this Agreement shall survive the execution and delivery of this Agreement.

17.4 Waiver. Neither the waiver by either of the parties to this Agreement of a breach of or a default under any of the provisions of this Agreement, nor the failure of the parties to this Agreement, on one or more occasions, to enforce any of the provisions of this Agreement, or to exercise any right or privilege hereunder, shall thereafter be construed as a waiver of any subsequent breach or default of a similar nature, or as a waiver of any of such provisions, rights, or privileges hereunder. Neither the waiver by Centercorp of a breach of or default under any of the provisions of an agreement between Centercorp and another User, nor failure of Centercorp, on one of more occasions, to enforce any of the provisions of such similar agreement with another User, or to exercise any right or privilege thereunder, shall be construed to be a breach by Centercorp of its obligations to Customer hereunder.

17.5 Binding Effect. Subject to any provisions hereof restricting assignment, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

17.6 Amendment. No waiver under this Agreement shall be valid or binding unless set forth in writing and duly executed by the party against whom enforcement of the amendment, modification, discharge or waiver is sought. No amendment, modification or discharge of this Agreement shall be valid or binding unless set forth in a writing signed by both parties to this Agreement.

17.7 Benefit of this Agreement. It is the explicit intention of the parties hereto that no person or entity other than the parties hereto is or shall be entitled to bring any action to enforce any provision of this Agreement against either of the parties hereto, and that the covenants, undertakings, and agreements set forth in this Agreement shall be solely for the benefit of, and shall be enforceable only by, the parties hereto or their respective successors and assigns as permitted hereunder, except to the extent that other Users are explicitly given rights hereunder.

17.8 Entire Agreement. This Agreement (including the Exhibits hereto) constitutes the entire agreement between the parties hereto with respect to the transactions contemplated herein, and it supersedes all prior oral or written agreements, commitments or understandings with respect to the matters provided for herein.

17.9 Pronouns. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the identity of the person or entity may require.

17.10 Headings. Article, Section and subsection headings contained in this Agreement are inserted for convenience of reference only, shall not be deemed to be a part of this Agreement for any purpose, and shall not in any way define or affect the meaning, construction or scope of any of the provisions hereof.

17.11 Execution. To facilitate execution, this Agreement may be executed in as many counterparts as may be required; and it shall not be necessary that the signatures of, or on behalf of, each party, or that the signature of all persons required to bind any party, appear on each counterpart; but it shall be sufficient that the signature of, or on behalf of, each party, or that the signatures of the persons required to bind any party, appear on one or more of the counterparts. All counterparts shall collectively constitute a single agreement. It shall not be necessary in making proof of this Agreement to produce or account for more than that number of counterparts containing the respective signatures of, or on behalf of, all of the parties hereto or thereto.

IN WITNESS WHEREOF, the undersigned have duly executed this Agreement, or have caused this Agreement to be duly executed on their behalf, as of the day and year first hereinabove set forth.

CUSTOMER:

By _____

Name _____

DBS AUTHORIZATION CENTER, INC.

By _____

Name _____

EXHIBIT A

CENTER TECHNICAL SPECIFICATIONS AND BASIC SERVICE

1. The Center shall be physically secure from unauthorized entry.
2. The Center shall have an operator 24 hours a day, 7 days a week.
3. The computer and communications systems shall be operated from a transient protected power system utilizing motor-generator protected power, backed up by a transformer isolation power source.
4. The computer and communications systems shall be operated in an air-conditioned environment with a redundant system of at least dual compressors in which the required temperature is maintainable with one compressor operating.
5. An Outage shall exclude the following:
 - (a) 408 hours per calendar year for file back-up and preventative maintenance during the hours of 12:00 am to 4:00 am;
 - (b) For terrestrial link, failures of the outward-bound communications link (connected to the Center computer) between the Center and Scramblers of Programmers, provided that there is a dial back-up system;
 - (c) For satellite link, failures of the outward-bound communications link (connected to the Center computer) between the Center and Scramblers of Programmers, if the satellite service is provided to the Center under i) conditions requiring 99.99% uptime reliability, or ii) conditions requiring redundant transmitters and modulators configured in a hot standby mode with automatic switchover.
 - (d) Failures of user-provided hardware, software and communications, including telephone lines.
 - (e) Sun blockage of the satellite link.
6. Communications of the Data Channel from the Center to Programmers shall be as follows:
 - a. The Center shall utilize the interfacing system defined in the Center's Business Systems Interface Specification ("Interface") which shall be provided to all Programmers.
 - b. In the case of terrestrial communications, the Center shall provide the communications line from the Center to each Programmer's uplink facility. Each such line shall have a dial back-up system. Each Programmer shall, at it's cost and expense, i) acquire and install the equipment necessary to interface the Data Channel to the Programmer's scrambling system, and ii) provide to the Center all equipment necessary for the interface of the Data Channel between the Center and the communications line to the Programmer's uplink facility.

- c. In the case of satellite communications, the Center shall be responsible for the transmission of the Data Channel to each Programmer's uplink facility. Each Programmer shall, at its cost and expense, acquire and install the equipment necessary for receiving, demodulating, decoding, and interfacing the Data Channel to the Programmer's scrambling system at its uplink facility.
 - d. The satellite link described above shall be carried either on the Galaxy I satellite or on any other satellite (either C-Band or Ku-Band) which does not require a receiving antenna larger than six (6) feet in diameter.
7. Communications to and from the Center and each Program Distributor (including leased lines, dial back-up lines, and all interfacing equipment) shall be provided by each Program Distributor. The interfaces and protocols required for such communications are set forth in the Center's Interface which shall be provided to all Program Distributors. The Interface also describes the data specifications and the communications link via high quality data modems (such as Codex 2640) with dial back-up operating on Digital Data Service (DDS) leased lines.
8. The Center shall provide full backups of system files no less than monthly, as well as daily backup of the database. A full backup of all files shall be kept off-site.
9. The computer system configuration at the Center shall consist of a VAX 11/780 backed up with an off-line VAX 11/785 with NMS and Control Computer software hosted on a single computer. As the Center's subscriber population grows and warrants greater computing power, the NMS shall be separately hosted on a VAX 11/785 or equivalent, the Control Computer software separately hosted on a VAX 11/780, and a backup off-line VAX 11/785 or equivalent shall be connected through Ethernet and dual ported disk drives to both on-line computers.
10. Off-line reports shall be generated upon User request and shall be shipped within one week from the time of receipt of the request. Reports provided by the Center are defined in the Interface.
11. In the event of catastrophic system failure, best efforts shall be used to restore operation of the Center at the earliest possible time.
12. Services and features provided by the Center as part of the Basic Service shall include:
 - The ability to authorize and deauthorize consumer descramblers on a tier-bit by tier-bit basis for up to 1,000,000 descramblers initially.
 - A consumer descrambler data base management function. Data will include descrambler unit address, zip code, and authorization table partitioned by Users. Blackout service support to enable Programmers to blackout consumer descramblers for special events as defined in the Interface.
 - Ability of Program Distributors and Programmers acting as Program Distributors to set geographic location (zip code), reset passwords, and to conduct transactions as described in the Interface.

13. The Center shall be expandable to achieve the following capabilities:

- a. Subscriber population - 5 million.
- b. Average transaction rate (based upon a typical transaction mix defined in the Interface):
 - 1 Transaction per second.
- c. Sixty-four (64) Ports.
- d. Fifty-five (55) groups of Continuous Services ("Continuous Service" shall mean service such that, when authorized, it propagates the authorization from month-to-month until a deauthorization action is taken by the service provider.)

EXHIBIT B
I. ASSIGNMENT OF ACTIVE TIER-BIT

1. Any Programmer (as defined in Section 3.1 of the DBS Authorization Center Agreement ("Agreement")), shall have the right to have assigned for that Programmer's exclusive use, one of the available Tier-Bits for each of that Programmer's separately scrambled uplink channels utilizing separate transponders and providing a Continuous Service on a full-time basis.
2. Any Tier-Bit assigned to a Programmer under Paragraph 1 above shall be subject to that Programmer meeting the requirements of Section 3.1 of the Agreement and Paragraph 1 above as long as the Programmer uses such Tier-Bit. If a Programmer no longer meets such requirements, Centercorp shall have the right to terminate the Programmer's use of the Tier-Bit and to re-assign any such Tier-Bit within 30 days of notice to the Programmer.
3. A new Programmer shall have the right to enter into an Agreement with Centercorp and have Centercorp reserve a Tier-Bit for such Programmer for a period not to exceed 120 days, at a monthly cost equal to one-half of the cost of an active Tier-Bit, at the end of which period the Programmer shall have to meet all requirement set forth above, or Centercorp shall have the right to terminate such Agreement and be re-reimbursed by the Programmer for all costs and expenses incurred by Centercorp during said 120-day period.

EXHIBIT B

II. ASSIGNMENT OF OPTION BIT

1. Any Programmer in good standing with Centercorp and meeting the requirements of Section I above shall have the right to be assigned Option Bit(s), to the extent that such Bit(s) is (are) available, provided, in addition to the above, such Programmer meets all of the following criteria:
 - a. For each Option Bit assigned, Programmer shall own or shall presently be under a lease agreement with or have a firm option to own or lease a transponder from a transponder services provider for a particular satellite transponder for which such Option Bit is intended to be used. The transponder must be activated within five (5) years of the date of Option Bit assignment.
 - b. Programmer shall provide to Centercorp a certification to that effect, signed by an authorized officer or director of Programmer.
2. Option Bits shall be assigned for a period of twelve (12) months from the date of assignment. Upon expiration of such period, any Programmer holding Option Bit(s) shall be required to meet all of the criteria set forth in Paragraph 1(a) and 1(b) above for each of the Programmer's Option Bit(s) if Programmer wishes to continue to hold Option Bit(s).
3. Centercorp shall have the right to request confirmation of the transponder requirements under 1(a) above exclusive of any proprietary information of Programmer in order to ascertain that Programmer meets all criteria. Centercorp shall have the right to revoke any Option Bit(s) upon 24 hours notice on the basis of misrepresentation(s) by Programmer with respect to the Option Bit assignment criteria set forth above.
4. Programmer shall have the right to renew Option Bit(s) assignment so long as Programmer continues to meet the criteria or until such time as Programmer receives Notice to Activate by Centercorp.
5. Notwithstanding any of the above, the maximum total number of active and Option Bit(s) which can be assigned to a Programmer during the Initial Term shall be a total of sixteen (16) Tier-Bit(s).
6. Option Bit(s) shall not be assignable by Programmer.

EXHIBIT B

III. NOTICE TO ACTIVATE OPTION BIT

1. If (and to the extent that) the number of Tier-Bits requested by an existing Customer or by a new Programmer should exceed the number of available Tier-Bits, User(s) holding Option Bits shall be required by Centercorp to activate their unused Option Bits or release them for re-assignment, as follows:

The Programmer who was the last to acquire an Option Bit and who is not using such Option Bit as described in Section 1 shall be the first to be requested to activate such Bit or to release it for re-assignment. Programmer shall have until the next anniversary of the assignment renewal date of the Option Bit to fully activate the Bit. In addition, Programmer shall have ten (10) calendar days from the date of Programmer's receipt of the Notice to Activate to respond in writing to Centercorp as to whether Programmer shall activate its Option Bit or release it for re-assignment. If Programmer does not respond within said 10 day period, Centercorp shall have the right to reassign such Programmer's Tier Bit.

If Programmer does not release the Option Bit for re-assignment and does not fully activate it by the next anniversary renewal date of such Option Bit, then Centercorp shall have the right to reassign said Option Bit, unless, prior to said renewal date, and in addition to all other requirements, Programmer meets the following requirements:

Programmer provides Centercorp with:

- A non-cancelable purchase order or lease agreement for a Scrambler with a firm delivery date within the next 12 months, and
- A lease agreement or proof of ownership of a physical location of premises for the operation of an uplink site, and
- An active transponder lease for use by the above scrambler; and

Programmer pays in advance the full Tier-Bit fee for the next twelve (12) month period for such assigned Option Bit; and

Programmer provides a start date within the next twelve (12) months when Programmer will fully activate the Option Bit.

If Programmer does not comply with or meet all of the requirements (i) through (iii) above, then Centercorp shall have the right, without further notice to Programmer, to reassign said Option Bit.

- a. If Programmer complies with items (i) through (iii) above, but does not activate the Option Bit by the date given to Centercorp pursuant to (iii), then Centercorp shall have the right, without further notice, to re-assign said Option Bit within 48 hours of said date, and to charge Programmer an amount equal to the Charges such Programmer would have paid for the Tier-Bit had the Programmer used such Tier-Bit as an active Bit for the remainder of the Initial or Renewal Term.

2. For purposes of this Exhibit B, the date of acquisition of an Option Bit shall be the date of initial assignment of such Option Bit to the respective Programmer.

EXHIBIT B
IV. TIER BIT ASSIGNMENT FORM

PROGRAMMER NAME: _____

PROGRAMMER ADDRESS: _____

PROGRAM SERVICE NAME: _____

UPLINK ADDRESS: _____

UPLINK TELEPHONE: _____

NUMBER OF SCRAMBLERS: _____

TIER BIT REQUESTED: _____

ACTIVE: _____

OPTIONAL: _____

VIDEO PROVIDER I.D.: _____

SERVICE START DATE: _____

SATELLITE TRANSPONDER: _____

PROGRAMMER (CUSTOMER)

BY _____

DBS AUTHORIZATION CENTER, INC.

BY _____

DATE TIER BIT ASSIGNED: _____

TIER BIT NUMBER: _____

NUMBER OF SCRAMBLER FEEDS: _____

EXHIBIT C CENTER CHARGES

Current Charges effective January 1, 1992:

1. Programmer Charges - Each Programmer shall be obligated to pay the following Charges:
 - a. Each Programmer shall pay a fixed connect fee of \$775 per month for each uplink Scrambler which receives the Data Channel from the Center ("Connect Fee"). The Connect Fee will be a single fee which shall not be affected by the physical location of each uplink and Scrambler (that is whether they are co-located or separately located).
 - b. Each Programmer shall pay a fee of \$3,860 per month for each Tier-Bit which is assigned to the Programmer (the "Tier-bit Fee"), other than Option Bits or Part-Time Bits.
 - c. If a Programmer reserves an Option bit, the Programmer shall pay an option fee (the "Option Fee") for such Option Bit which will be equal to one half of the Tier-Bit Fee.
 - d. If a Programmer is assigned a Part-Time bit, the Programmer shall pay a fixed fee (the "Part-Time Fee") of \$8,425 per month for each Part-Time Bit.
2. Program Distributor Charges - Each Program Distributor (including those who are also Programmers) shall be obligated to pay Current Charges for 1992 consisting of a monthly fee for each Port which has been allocated to such Program Distributor (the "Port Fee"). The Port Fee applicable to 1992 shall be \$3,860 per month.

EXHIBIT D

UNRECOVERED INVESTMENT CALCULATION

1. Unrecovered investment is recouped from existing Users on the same basis that eligible costs were allocated to Users at the time the latest dated revised schedule of charges was calculated and distributed to all Users, as follows:
 - a. Determine the pro-rata share of eligible cost of each User at the time of publication of the latest revised schedule of charges.
 - b. Determine the total unrecovered investment.
 - c. Apply the same pro-rata share of each User determined in 1a to the total unrecovered investment determined in 1b.
2. To illustrate:
 - a. Assume the latest published schedule of estimated eligible cost of Centercorp was \$1,800,000.
 - b. Assume the pro-rata share of these eligible costs for a particular User, whether Programmer or Program Distributor, was calculated to be \$190,000, or 10.6%.
 - c. Assume the total unrecovered investment of Centercorp is calculated to be \$1,000,000.
 - d. The pro-rata share of unrecovered investment for this particular User is calculated at 10.6% of \$1,000,000, or \$106,000.
3. Unrecovered investment will be calculated as follows:
 - a. The total of liabilities payable per an audited financial statement
 - b. Plus reasonable unrecorded liabilities incurred in the normal course of Centercorp business
 - c. Plus costs of contract termination
 - d. Plus costs of closing Centercorp
 - e. Less the realizable value of tangible assets
 - f. Less cash and equivalents on hand

June 22, 1989

EXHIBIT E TVRO RIGHTS

User represents that it has met the criteria set forth in Section 3.1 of this Agreement with respect to use of Scramblers, ownership of TVRO distribution rights to the programming material being transmitted and provision of such programming material to consumers on subscription or other pay-TV basis.

User: _____

By: _____

Name: _____

Title: _____

Programmer Service: _____

**Amendment to DBS Center Agreement
Dated November 20, 1986
for Programmer and Program Distributor
(the "Agreement")**

1. This Amendment applies only to Users of the Center who are domestic common carriers or Canadian satellite common carriers and who own or lease Scramblers to scramble the satellite television signal feed(s) for consumer programming subscription services.
2. The following portions of the Agreement are amended as follows:

3.1 Programmer Users. The Programmer category will consist of entities transmitting television programs via satellite which also become:

- (a) A user of Scramblers for scrambling its satellite television signal feeds (**or in the case of a common carrier, the satellite signal of the provider**) whether such **user** itself owns and operates the Scrambler or contracts with a third party which owns a Scrambler and which provides scrambling services; and
- (b) An owner of TVRO distribution rights to the programming material being transmitted **or a common carrier of such programming material; and**
- (c) A provider of such satellite television programming directly to consumers on a subscription or other pay-TV basis which may include advertising (such programming being offered by the programmer or through authorized program distributors) **or a common carrier of such provider.**

3.2 Program Distributor Users. The program Distributor Category will consist of entities (which may be Programmers) (a) which are expressly authorized by one or more Programmers to sell subscriptions for programming services to TVRO owners (such authorization to be communicated to Centercorp by a written notice of such authorization delivered to Centercorp by such programmer), **or which are a common carrier of such Programmer or of such programming material,** (b) which notify Centercorp that they wish to utilize a Port, and (c) which then execute an agreement with Centercorp similar to this Agreement (a "Program Distributor Agreement"). Each Program Distributor shall be required to connect to the Center via a Port through which it will advise the Center's computers concerning which subscribers should be authorized or deauthorized for each programming service with respect to which such Program Distributor has been authorized by a Programmer. In addition, a Program Distributor may be authorized by a Programmer to relay to the Center such authorizations and deauthorizations of subscribers received from other distributors which have been authorized by such Programmer to sell programming services to subscriber; provided that for purposes of each Program Distributor Agreement, such subscribers will be deemed to be subscribers of the Program Distributor, so that if the Program Distributor loses its authorization rights, all such other distributors will lose their authorization rights until they negotiate appropriate arrangements with another authorized Program Distributor.

6.3 Obligation to Pay. Upon execution of an agreement with Centercorp (this Agreement as to Customer), and upon election to extend such an agreement for a Renewal Term, each User shall become fully obligated to pay all amounts due under such an agreement with respect to the

respective term. In the event that any User fails to fulfill its obligations under such an agreement, including any User which is terminated as described in Section 5 hereof, or is terminated as described in Section 3.2 hereof, then in any such event such User shall continue to be obligated for all amounts which would have been payable by such User during the balance of the Initial Term or Renewal Term, as the case may be, then in effect, and Centercorp shall be entitled to initiate all legal actions and other actions as may be necessary to collect such amounts. However, upon the request of any User withdrawing or terminating prior to the expiration of the term of such an agreement then in effect for such User, Centercorp shall poll all other Users, and if such other Users unanimously consent to such waiver, Centercorp will waive unpaid amounts due from such withdrawing or terminated User (it being understood that such waived amounts shall be recovered from other Users through Charges to such Users recalculated as described in Section 6.1).

Notwithstanding the above, a User who is a common carrier and who withdraws from or terminates this Agreement prior to the expiration of the Initial Term or any Renewal Term shall not be obligated to pay for the unexpired portion of such Term, provided that the User is prevented from continuing utilizing the Center by an action of the United States Government. United States Government action is defined as any acts of Congress (which become law) and/or lawfully issued judicial orders prohibiting the User from continuing the provision of its satellite scrambled signal for all of the User's home TVRO programming subscription services provided through the Center.

Exhibit A

Paragraph 6(d) is deleted for Canadian Users only.